

FEDERAL HOME LOAN BANK OF CHICAGO
AMENDMENT TO
ADVANCES, COLLATERAL PLEDGE, AND SECURITY AGREEMENT
[Custom Form – American Family Mutual Insurance Company]

This Amendment is entered into by and between American Family Mutual Insurance Company (“Member”) and the Federal Home Loan Bank of Chicago (“Bank”);

WHEREAS, the Member and the Bank have previously entered into an Advances, Collateral Pledge, and Security Agreement (“Agreement”), dated February 12, 2009; and,

WHEREAS, the Member and the Bank wish to amend the Agreement as provided herein;

NOW THEREFORE, the Member and the Bank agree as follows:

1. Definitions.

1.1 Capitalized terms defined in the Agreement and not otherwise defined herein shall have the same meanings given to such terms in the Agreement.

2. Amendments to Agreement.

2.1 Section 1.01(k) is amended by deleting it in its entirety and substituting the following in its place:

(k) “First Mortgage Collateral” means Mortgage Loans (excluding participation or other fractional interests therein), the Mortgage Notes evidencing the Mortgage Loans, the Mortgages securing the Mortgage Loans and all general intangibles and accounts relating to a Mortgage Loan, ancillary security agreements, policies and certificates of insurance or guarantees, rent assignments, FHA mortgage insurance or VA loan guarantee certificates, title insurance policies, evidences of recordation, applications, underwriting materials, surveys, appraisals, approvals, permits, notices, opinions of counsel, loan servicing rights, loan servicing data, all other electronically created, stored and/or written records or materials relating to the Mortgage Loans, the proceeds of the Mortgage Loans, and any real property or other property obtained through foreclosure, by realizing upon or in settlement of the Mortgage Loans and/or the Mortgages.

2.2 Section 1.01(l) is amended by deleting it in its entirety and substituting the following in its place:

(l) [Reserved]

2.3 Section 1.01(s) is amended by deleting it in its entirety and substituting the following in its place:

(s) “Other Eligible Collateral” means any of the following that have been pledged by the Member to the Bank: items of property, other than Capital Stock, First Mortgage Collateral, Government and Agency Securities Collateral, and Other Securities Collateral, such as deposits at a Federal Home Loan Bank and Other Real Estate Related Collateral.

2.4 Section 1.01(t) is amended by deleting it in its entirety and substituting the following in its place:

(t) [Reserved]

2.5 Section 1.01(w) is amended by deleting it in its entirety and substituting the following in its place:

(w) “Qualifying Collateral” means Collateral other than Capital Stock that: (1) qualifies as security for Advances under the terms and conditions of the Credit Policy, the Act, and the Regulations and satisfies the requirements for Qualifying Collateral that may be established by the Bank and (2) is owned

by the Member free and clear of any liens, encumbrances, or other interests other than may be approved in writing by the Bank.

2.6 Section 1.01 is amended by adding the following definitions:

(dd) "Mortgage Loans" means fully-disbursed whole loans evidenced by Mortgage Notes which are secured by Mortgages that constitute a first lien on one-to-four unit dwellings or Multi-Family Properties, and any endorsements or assignments thereof.

(ee) "Mortgage Notes" means notes, bonds, or other instruments evidencing Mortgage Loans or any other loans or indebtedness secured by Mortgages.

(ff) "Mortgages" means mortgages, deeds of trust and any other security instruments that create a lien on real property and secure Mortgage Notes.

(gg) "Multifamily Property" means residential real property which includes five or more dwelling units and as may be further defined in the Credit Policy.

(hh) "Other Real Estate Related Collateral" means (i) all other loans, lines of credit or indebtedness evidenced by Mortgage Notes, excluding First Mortgage Collateral, but otherwise including without limitation, home equity loans, home improvement loans, subordinate loans, mortgage warehouse lines of credit, real estate construction loans, and other real estate related loans, which Mortgage Notes are secured by Mortgages on commercial property, residential property or by security interests in personal property related to real estate transactions or financing, and (A) all Mortgage Notes or other instruments evidencing such loans, lines of credit or indebtedness, (B) any endorsements and assignments thereof to the Member, and (C) all ancillary security agreements, policies and certificates of insurance or guarantees, chattel paper, electronic chattel paper, evidences of recordation, applications, underwriting materials, appraisals, notices, opinions of counsel, loan servicing data, and all other electronically stored and written records or materials relating to the loans evidenced or secured thereby, (ii) all property relating to the Member's management, collection, processing, accounting for, monitoring, or servicing of loans and accounts, including, without limitation, all checks, instruments, documents, certificates, agreements, loan accounts, payments, chattel paper, electronic chattel paper, collections, account statements, computer files, records, promissory notes, endorsements, assignments, and loan servicing data, together with the rights, remedies, and powers related thereto, and (iii) participations in or portions of First Mortgage Collateral and participations in or portions of other real estate related collateral as set forth in clause (i) above.

2.7 Section 3.02(b) is amended by deleting it in its entirety and substituting the following in its place:

(b) Subject to Sections 3.03 hereof, Collateral shall be held by the Member in trust for the benefit of, and subject to the direction and control of, the Bank and will be physically safeguarded by the member with at least the same degree of care as the Member uses in physically safeguarding its other property. Without limitation of the foregoing, the Member shall take all action necessary or desirable to protect and preserve the Collateral and the Bank's interest therein, including without limitation the maintaining of insurance on property securing First Mortgage Collateral or Other Real Estate Related Collateral (any and all policies and certificates of insurance or guaranty relating to such Mortgages are herein called "insurance"), the collection of payments under all Mortgages and under all insurance, and otherwise assuring that all Mortgages are serviced in accordance with the standards of a reasonable and prudent servicer in the mortgage industry.

2.8 Section 3.08 is amended by deleting it in its entirety and substituting the following in its place:

SUBORDINATION OF OTHER LOANS TO FIRST MORTGAGE COLLATERAL. The Member hereby agrees that all Mortgage Notes which are part of the First Mortgage Collateral or Other Eligible Collateral ("pledged notes") shall have priority in right and remedy over any claims for other loans, whenever made, and, however evidenced, which are also secured by the Mortgages or security agreements securing the pledged notes. The pledged notes shall be satisfied out of the property (or proceeds thereof) covered by

such Mortgages or security agreements before recourse to such property may be obtained for the repayment of such other loans which are not part of the Collateral. To this end, the Member hereby subordinates the lien of such Mortgages and security agreements with respect to such other loans to the lien of such Mortgages and security agreements with respect to the pledged notes. The Member further agrees to retain possession of all notes or other instruments evidencing such other loans and not to pledge, assign, or transfer the same, or any interest therein, except insofar as such other loans may be pledged to the Bank as part of the Collateral.

2.9 Section 3.10(a) is amended by deleting it in its entirety and substituting the following in its place:

(a) All loan Collateral and the satisfaction of the Collateral Maintenance Level shall be subject to audit and verification by or on behalf of the Bank. Reasonable fees and charges may be assessed to the Member by the Bank to cover the Bank's reasonable costs relating to such audit and verification; provided however, any audit or verification on behalf of the Bank may be performed by a third party auditor selected by Member and approved by the Bank, such Bank approval not to be unreasonably withheld. Any fees and charges assessed by the third party auditor selected by Member (and approved by the Bank) shall be borne solely by the Member. If the Bank does not approve of Member's auditor, the Bank shall choose a third party auditor to perform the audit or verification as set forth in this subsection. Fees and charges for the Bank's third party auditor will be assessed to the Member up to the amount that Member's third party auditor would have charged for the audit or verification and the Bank shall be responsible for any charges and fees above that amount. Such audits and verifications may occur upon reasonable notice during the Member's normal business hours or at such other times as the Bank or third party auditor may reasonably request. The Member shall provide to the Bank or third party auditor such reports relating to the loan Collateral as may be called for pursuant to the Credit Policy or as the Bank may otherwise reasonably require. The Member shall provide the Bank or third party auditor access to the Member's books and records relating to such loan Collateral and shall make adequate working facilities available to the representatives or agents of the Bank for purposes of such audits and verification.

2.10 Section 3.11(g) and (h) are amended by deleting them in their entireties and substituting the following in their place:

(g) Except as may be approved in writing by the Bank, no account debtor or other obligor owing any obligation to the Member with respect to any item of First Mortgage Collateral or Other Eligible Collateral has or will have any defenses, offsetting claims, or other rights affecting the right of the Member or the Bank to enforce the writings constituting any such Mortgage, Mortgage Note or promissory obligation, and no defaults (or conditions that, with the passage of time or the giving of notice of both, would constitute a default) exist or will exist under any such writing; and,

(h) No part of any real property or interest in real property that is the subject of Mortgages included in Qualifying Collateral contains or is subject to the effects of toxic or hazardous materials or other hazardous substances (including those defined in the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended 42 U.S.C. 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. 1801 et seq.; the Resource Conservation and Recovery Act, 42, U.S. 6901 et seq.; and in the regulations adopted and publications promulgated pursuant to said laws) the presence of which could subject the Bank to any liability under applicable state or Federal law or local ordinance either at any time that such property is pledged to the Bank or upon the enforcement by the Bank of its security interest therein. The Member hereby agrees to indemnify and hold the Bank harmless against all costs, claims, expense, damages, and liabilities resulting in any way from the presence or effects of any such toxic or hazardous substances or materials in, on, or under any real property or interest in real property that is subject to or included in the Collateral.

3. General.

3.1 Except as herein amended, the Agreement shall remain in full force and effect and is hereby ratified, approved, and confirmed in all respects. All references in the Agreement to "Agreement" or "Advances, Collateral Pledge, and Security Agreement" shall refer to the Agreement as herein amended and modified.

3.2 This Amendment shall be binding upon the Member and the bank and their respective successors and assigns and shall inure to the benefit of the Member, the Bank, and their respective successor and assigns, as the case may be.

3.3 In the event of any inconsistency between the Agreement and this Amendment, this Amendment shall govern to the extent of such inconsistency.

IN WITNESS WHEREOF, the Member and the Bank each acting through its authorized representatives have caused this Amendment to be executed as of this 30th day of October, 2013.

AMERICAN FAMILY MUTUAL INSURANCE COMPANY

By: Kari E. Grasee

Name: Kari E. Grasee

Title: VP, Controller

Member Number: 06962

FEDERAL HOME LOAN BANK OF CHICAGO

By: [Signature]

Name: A. HANSON

Title: SVP

Roger D. Lundstrom
Roger D. Lundstrom
EVP-CFO